

MARK E. SOUDER
3RD DISTRICT, INDIANA

HOMELAND SECURITY COMMITTEE
SUBCOMMITTEE ON BORDER, MARITIME,
AND GLOBAL COUNTERTERRORISM
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Congress of the United States
House of Representatives
Washington, DC 20525

June 17, 2008

WASHINGTON OFFICE:
2231 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-4436

DISTRICT OFFICES:
1300 SOUTH HARRISON STREET, ROOM 3105
FORT WAYNE, IN 46526
(260) 424-3041
(800) 959-3041
FAX: (260) 424-4042

320 NORTH CHICAGO AVENUE, SUITE 9B
GOSHEN, IN 46528
(574) 533-5802

700 PARK AVENUE, SUITE D
WINONA LAKE, IN 46590
(574) 269-1940

874 NORTH LIMA ROAD, SUITE B
KENDALLVILLE, IN 46755
(260) 599-0554

Mr. James S. Simpson
Administrator
Federal Transit Administration
East Building
1200 New Jersey Ave SE
Washington, DC 20590

Dear Mr. Simpson:

I am writing in regards to a serious policy matter concerning the use of Sec. 5307 funding provided to urbanized area transit systems throughout the nation. As you well know, Sec. 5307 funds are treated very differently when used by transit companies serving areas with more than 200,000 in population, and those areas under 200,000.

As of FY98, transit companies in areas over 200,000 could no longer use their Sec. 5307 funds for the operating costs so necessary to the success of the organization. However, those serving smaller areas were still allowed to cover such operating costs with these funds. As you well know, Sec. 5307 funds provide a significant portion of the funds available to transit companies, and to limit their use in such a way can be damaging to the ability to provide service to a community.

This is especially true for those transit organizations that serve populations at the 200,000 level, but have bus fleets that are much more in line with an under-200,000 organization. The Fort Wayne, Indiana Public Transportation Corporation/Citilink organization in my home district is one such example. According to the latest information, the service area population is 218,133. However, their fleet is smaller than at least six Indiana transit companies that are able to use their Sec. 5307 funds for operational costs. You are putting them at a great disadvantage by not allowing the same flexibility and eligibility enjoyed by similarly sized transit companies.

I understand that the recent SAFETEA LU technical corrections bill addressed this issue to a degree, by allowing those transit companies that saw a change in their population, from under 200,000 to over with the 2000 census, to continue to use a portion of their Sec. 5307 funds for operating costs.

I would like to request a review of your policy on this manner, so that this same consideration is given to companies with much smaller fleet sizes, regardless of

population served. The fleet size is a much better measure of operational and capital needs than the population served, and I would very much like to see the Federal Transit Administration move in this policy direction.

Thank you for your consideration of this critical issue and I look forward to your prompt reply.

Respectfully,

A handwritten signature in black ink, appearing to read "Mark Souder". The signature is fluid and cursive, with the first name "Mark" being more prominent than the last name "Souder".

Mark Souder
Member of Congress